

DNR NEWS

ENERGY AND WASTE MANAGEMENT BUREAU

For Immediate Release

May 15, 2003

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GASOLINE PRICES SPIKE, REFLECTING TIGHT INVENTORIES

DES MOINES —Gasoline prices have spiked \$0.03 - \$0.12 per gallon across Iowa in the last day. A random sample survey of 28 gasoline stations across the state shows that prices are averaging \$1.49 for a gallon of self-serve, regular unleaded gasoline, up an average of \$0.09 per gallon. The price increase is due in part to lower than normal supplies and should not last long as more supplies are on their way. Recently, the pipelines that supply Iowa's fuel have been moving more diesel due to the high spring demand for diesel to fuel tractors planting corn and soybeans. Gasoline inventories are also lower seasonally due to the changeover from winter to summer gasoline blends.

Spot market prices have been rising in the nation, due to tight inventories, talk of potential OPEC oil production cuts, the bombing in Saudi Arabia and problems at several gasoline refineries. Prices have risen more quickly, and to higher levels, in the Midwest because of the extremely tight inventory situation.

"Gasoline prices are expected to drop back to the low \$1.40 range and level off for a few weeks, if there are no further problems with supply," said Jennifer Moehlmann, energy data analyst for the DNR. "We urge Iowans not to panic and line up at the gas stations, because, although inventories are lower than normal, we do not expect any gas stations to run out of fuel and more gasoline will be coming in the next few days."

Crude oil finished trading on May 14 at \$29.17 per barrel, up \$2.94 from the previous week. One year ago, crude was \$28.17 per barrel. National crude oil inventory is at 284.5 million barrels, down 9.9 percent from the previous year and below the normal range.

The Department will release its regularly scheduled monthly press release next week.

SAMPLE AVERAGE SELF-SERVE UNLEADED PRICES IN MAJOR CITIES

	May 15	Sample Change
Ames	1.50	+0.07
Cedar Rapids	1.51	+0.12
Council Bluffs	1.44	+0.08
Davenport	1.49	+0.11
Des Moines	1.53	+0.07
Dubuque	1.47	+0.03
Fort Dodge	1.55	+0.10
Iowa City	1.52	+0.09
Sioux City	1.47	+0.04
Waterloo	1.44	+0.09
Average Metro Price	1.49	+0.08

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SAMPLE AVERAGE SELF-SERVE UNLEADED PRICES IN RURAL IOWA

	May 15	Sample Change
Northeast	1.50	+0.10
Northwest	1.50	+0.10
Southeast	1.51	+0.12
Southwest	1.49	+0.12
Rural Area Average		

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